

CORRECTIONS DEPARTMENT[201]

Notice of Intended Action

**Proposing rule making related to Iowa state industries
and providing an opportunity for public comment**

The Corrections Department hereby proposes to amend Chapter 37, "Iowa State Industries," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 904.804.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 904.815.

Purpose and Summary

This proposed rule making removes the language that allows Iowa State Industries to sell products to employees of nonprofit organizations and allows Iowa State Industries to provide limited public sales when the sales to political subdivisions are insufficient to justify continued operation of a shop. This language is inconsistent with statute.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Pursuant to the provisions of the statute, the Department does not have authority to waive requirements established by statute.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Department no later than 4:30 p.m. on March 14, 2023. Comments should be directed to:

Michael Savala
Department of Corrections
Jessie Parker Building
510 East 12th Street
Des Moines, Iowa 50319
Email: michael.savala@iowa.gov

Public Hearing

If requested, a public hearing to hear oral presentations will be held as follows:

March 14, 2023
9 to 10 a.m.

Via conference call

Persons who wish to participate in the conference call should contact Michael Savala by 8 a.m. on March 14, 2023, to facilitate an orderly hearing. A conference call number will be provided to participants prior to the hearing. The public hearing will be canceled without further notice if no public hearing is requested by March 14, 2023.

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making. Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making action is proposed:

Amend rule 201—37.2(904) as follows:

201—37.2(904) Sale of products.

37.2(1) Iowa state industries shall sell products to any tax-supported institution or governmental subdivision in any level of government, including state, county, city or school. Iowa state industries may sell products to employees of such entities.

37.2(2) Iowa state industries may sell products to nonprofit organizations such as parochial schools, churches, or fraternal organizations ~~and employees of such nonprofit organizations.~~

37.2(3) Iowa state industries may sell products to nonprofit health care facilities serving Medicaid or social security patients.

~~**37.2(4)** Sales will not generally be solicited from the general public. However, the state director of Iowa state industries may determine with the advice of the prison industries advisory board that limited public sales will be made when the sales to political subdivisions are insufficient to justify continued operation of a shop.~~

37.2(5) 37.2(4) Iowa state industries may sell products to a general contractor when the products purchased will be sold to a public entity as provided in subrules 37.2(1) to 37.2(3). The public entity shall submit a written request to Iowa state industries specifying the products and quantities to be purchased. Such sales shall be limited to contractors involved in construction, renovation, and remodeling projects. Sales to a general contractor shall be approved by the Iowa prison industries advisory board.

This rule is intended to implement Iowa Code section 904.815.